

HONORING TAIWAN FOR ITS COMMITMENT TO THE REFUGEES OF KOSOVO

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

Mr. KING. Mr. Speaker, I rise today to recognize Taiwan's continuing commitment to peace and stability in the Balkan region. Classified by China as a renegade province with no right to diplomatic recognition, Taiwan is excluded from the United Nations and deprived of relations with many nations. Despite this diplomatic embargo, Taiwan unveiled this past Monday, June 7, a \$300 million aid package to assist the more than 782,000 ethnic Albanians who have been forced to leave as a result of Slobodan Milosevic's genocidal campaign.

This aid package will include emergency supplies for Kosovar refugees and contributions to long-term reconstruction efforts by the international community in Kosovo once a peace plan is accepted and implemented. In addition, it also offers to arrange for Kosovar refugees to receive short-term technical training in Taiwan.

I urge my colleagues to recognize Taiwan's sincerity and commitment to join the international drive to help the Kosovar refugees.

DR. HAROLD P. FURTH: A SCIENTIFIC LEADER AND A GREAT AMERICAN

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

Mr. HOLT. Mr. Speaker, I rise today to pay tribute to Harold P. Furth who has been appointed an Emeritus Professor of Princeton University, effective July 1st.

Dr. Furth, who served for 10 years as the director of the Princeton Plasma Physics Laboratory, has been a world leader in our nation's effort to recreate on earth the fusion process that powers the stars. As Dr. Furth has long understood, fusion can provide an abundant, safe, and environmentally attractive energy source to meet America's long term needs.

Dr. Furth conceived of the Tokamak Fusion Test Reactor (TFTR), the world's most successful fusion experiment, and oversaw its design and scientific program. TFTR achieved all of its research objectives, including the production of world-record amounts of fusion power in 1994. Discoveries made on TFTR increased substantially the basic understanding of fusion. These results are providing the insights necessary for the success of advanced fusion experiments now underway.

Beyond his renowned scientific prowess, I have for years admired his adept leadership in the science community. During the last year in which Dr. Furth was the Director of the Princeton Plasma Physics Laboratory, I was privileged to serve as the Assistant Director. As a scientific director, he established the right symbiotic relationship between theory and experiment. Dr. Furth's knowledge of all aspects of the field of fusion science and plasma physics

and his erudite manner have made him a truly outstanding leader of the fusion community.

As a Congressman now, I deeply appreciate his ability to lead both in the details of a major scientific program and his ability to provide direction for the field as a whole. His shrewd judgment allows him to be an effective steward of our nation's resources. He continues to show extraordinary ability to gauge all aspects of the fusion program, scientific, political, and economic, and to see the proper direction of the program.

We will continue to rely on the outstanding contributions of Americans such as Harold Furth as the foundation for our national security and economic well-being in the 21st century.

INTRODUCTION OF LEGISLATION

HON. JIM MCCRERY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 10, 1999

Mr. MCCRERY. Mr. Speaker, I rise today to announce the introduction of the United States-Flag Merchant Marine Revitalization Act of 1999. This bipartisan legislative initiative, which I am introducing along with Congressman Herger of California, Congressman Jefferson of Louisiana, and Congressman Abercrombie of Hawaii, is critically important to the modernization and growth of the United States maritime industry, our nation's fourth arm of defense.

History has repeatedly proven—and Congress has repeatedly affirmed—that the United States needs a strong, active, competitive and militarily-useful United States-flag commercial maritime industry to protect and strengthen our nation's economic and military security. In times of war or other emergency, as vividly demonstrated during the Persian Gulf War, United States-flag commercial vessels and their United States citizen crews respond quickly, effectively and efficiently to our nation's call, providing the sealift sustainment capability necessary to support America's armed forces overseas.

In 1992, General Colin Powell, then-Chairman of the Joint Chiefs of Staff, told the graduating class of the United States Merchant Marine Academy at Kings Point that:

Since I became Chairman of the Joint Chiefs of Staff, I have come to appreciate firsthand why our merchant marine has long been called the nation's fourth arm of defense . . . The war in the Persian Gulf is over but the merchant marine's contribution to our nation continues. In war, merchant seamen have long served with valor and distinction by carrying critical supplies and equipment to our troops in far away lands. In peacetime, the merchant marine has another vital role-contributing to our economic security by linking us to our trading partners around the world and providing the foundation for our ocean commerce.

I am convinced that the best way to ensure that our nation continues to have the militarily-useful commercial vessels and trained and loyal United States citizen crews we need to support our interests around the world is to enact those programs and policies that will better enable our maritime industry to flourish in peacetime. I am equally convinced that one

important way to do so is to provide a tax environment for our maritime industry which more closely reflects the favorable tax treatment other maritime nations provide to their own merchant fleets. The legislation my colleagues and I are introducing today will in fact strengthen the competitiveness of United States-flag vessel operations by providing a greater opportunity for American vessel owners to accumulate the private capital necessary to build modern, efficient and economical commercial vessels in American shipyards.

This bill amends the existing merchant marine Capital Construction Fund (CCF) program contained in section 607 of the Merchant Marine Act, 1970 and section 7518 of the Internal Revenue Code of 1986. The existing program allows an American citizen to deposit the earnings from various United States built, United States-flag vessel operations into a tax-deferred Capital Construction Fund to be used exclusively in conjunction with an approved United States shipbuilding program. The deferred tax is recouped by the Treasury through reduced depreciation because the tax basis of vessels built with CCF monies is reduced on a dollar-for-dollar basis.

In order to better reflect the significant tax-related disadvantages American vessel owners face as compared to their foreign competition, and to continue to ensure our nation has the most militarily useful and economically viable domestic maritime industry, this legislation would amend the existing CCF program to expand the type of earnings eligible to be deposited into a CCF and the purposes for which a qualified withdrawal can be made. Significantly, these amendments do not in any fashion alter or weaken the existing requirement that vessels built with CCF monies must be built in the United States and operate under the laws of the United States with United States citizens crews.

Specially, this legislation amends the CCF program to:

Allow earnings from United States-flag foreign built vessels to be deposited into a CCF in order to increase the amount of capital available to build vessels in an American shipyard;

Allow CCF monies to be withdrawn to build, in an American shipyard, a vessel for operation under the United States-flag in the oceangoing domestic trades in order to further enhance the modernization and growth of this important segment of the maritime industry;

Allow CCF monies to be withdrawn to acquire United States-built containers or trailers for use on a United States-flag vessel in order to better ensure that cargo moves on American vessels in a safe and efficient fashion;

Allow CCF monies to be withdrawn in conjunction with the lease of a United States-built vessel, trailer or container in order to better reflect the realities of current ship financing arrangements;

Allow a vessel owner to deposit into a CCF the duty arising from foreign ship repairs to ensure that the duty is used to the benefit of United States shipyards; and

Remove the CCF as an alternative minimum tax adjustment item so that the full intended benefits of the program—the accumulation of private capital for the construction of commercial vessels in United States shipyards—are realized.

The United States-Flag Merchant Marine Revitalization Act of 1999 is critically important